



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, AUGUST 4, 1994

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NORTH DAKOTA COMPANY CHARGED WITH RIGGING HIGHWAY STRIPING BIDS

WASHINGTON, D.C. -- A Fargo, North Dakota, equipment company was charged today with conspiring to rig bids on highway pavement marking contracts awarded by New York State, the Department of Justice's Antitrust Division announced.

This is the third case the Division has filed against companies in the highway pavement marking industry.

The Department charged that Swanston Equipment Company Inc. and others agreed to allocate a series of highway pavement marking contracts by submitting collusive, noncompetitive and rigged bids. The markings are a reflective material applied to roads and highways to form stripes and other traffic control indicators.

Papers filed in U.S. District Court in Fargo, North Dakota, charged that the conspiracy began in March 1990 and continued until March 1991. The contracts were to re-stripe roads throughout New York state.

The Department previously brought cases against Accent Stripe Inc. of Orchard Park, New York, and Oglesby Construction Inc. of Norwalk, Ohio, on similar charges.

(MORE)

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the charges against Swanston were the result of a grand jury investigation into bid rigging by pavement marking companies. With the filing of the charges against Swanston, the investigation, which was conducted by the Antitrust Division's Middle Atlantic Office and Inspector General's Office of the Department of Transportation, will be concluded.

The maximum penalty for a corporation convicted of bid rigging after November 1, 1990 is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime or twice the pecuniary loss suffered by the victims of the crime, whichever is greatest.

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